



ILLINOIS REPUBLICAN PARTY

Andy McKenna, Jr.
Chairman

March 15, 2006

MUR # 5718

Lawrence H. Norton, Esq.
General Counsel
Federal Election Commission
999 E Street, NW
Washington, D.C. 20463

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FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
2006 MAR 16 A 10:16

Re: Complaint against Giannoulas for Treasurer

Dear Mr. Norton:

We respectfully file this complaint against Giannoulas for Treasurer, the principal campaign committee for Alexander Giannoulas, a Democrat candidate for Illinois State Treasurer, and Jesse Jackson, Jr., for violations of federal law governing electioneering communications, the use of non-federal "soft-money," and those regulations governing coordinated communications.

I. Factual Background

Specifically in question are two of Giannoulas' recent campaign advertisements, one of which was a radio commercial and the other a campaign billboard. The ads are highlighted by the prominent roles of U.S. Senator Barack Obama and Democrat Member of the U.S. House Jesse Jackson, Jr. During the radio ad, both Obama and Jackson provide their endorsement to Giannoulas in sound bytes. *See Exhibit A.* On the campaign billboard, Jackson is pictured with Giannoulas, providing a visual image of his endorsement. *See Exhibit B.* Jackson represents the second district of Illinois, which sits squarely within the Chicago media market.

II. Applicable Law

As the Commission knows, federal law prohibits electioneering communications that refer to a clearly identified federal candidate within sixty days before a general election or thirty days before a primary election when such

205 West Randolph, Suite 1245, Chicago, IL, 60606 Phone: (312) 201-9000 Fax: (312) 201-0181
320 South Fourth Street, Post Office Box 78, Springfield, IL 62705-0078 Phone: (217) 525-0011 Fax: (217) 753-4712

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communications are paid for with so-called "soft-money." Specifically, "electioneering communication" means any broadcast, cable, or satellite communication that (1) refers to a clearly identified candidate for Federal office; (2) is publicly distributed within 60 days before a general election for the office sought by the candidate; or within 30 days before a primary; and, (3) is targeted to the relevant electorate, in the case of a candidate for Senate or the House of Representatives. 2 U.S.C. § 434(f)(3) and 11 CFR § 100.29.

Furthermore, federal law also regulates coordinated communications 120 days or fewer before a primary election when a public communication refers to a federal candidate. According to Commission regulations, a communication is coordinated with a candidate, an authorized committee, a political party committee, or an agent of any of the foregoing when the communication: (1) is paid for by a person other than that candidate, authorized committee, political party committee, or agent of any of the foregoing; (2) satisfies at least one of the content standards; and (3) satisfies at least one of the conduct standards. 11 CFR § 109.21. The content standard is satisfied by, among other things, reference to a federal candidate within 120 days of an election.

III. Analysis

A. "Soft-Money" Electioneering

Senator Obama's and Congressman Jackson's presence in Giannoulas' advertisements are legally troubling in light of the aforementioned federal laws prohibiting "soft money" electioneering communications and coordination of such advertisements. With regard to "soft-money" electioneering communications, Jackson's role in the radio advertisement is particularly troubling in that it meets all three requirements of an electioneering communication: (1) it refers to a clearly identified candidate for federal office (Jackson); (2) it aired within thirty days before the March 21 Illinois Democrat primary; and (3) it is targeted to a relevant public electorate, because it is being broadcast in the Chicago area media market. Given the permissive nature of Illinois state election law (*i.e.*, corporate money is permissible), it would appear that Giannoulas has used funds impermissible under federal law for his communications.

B. Coordination

Giannoulas' and Jackson's contravention of federal law regulating coordinated communications is even more apparent. Jackson's (and perhaps Obama's) role in Giannoulas' campaign advertisements satisfy the three-prong coordination requirement: (1) the payment prong is satisfied because Giannoulas paid for both advertisements; (2) the content prong is satisfied because at least one Federal candidate is clearly referenced and depicted; and (3) the conduct prong is satisfied because it is likely that Jackson and Obama had material involvement in the advertisements, as evidenced by the number of public communications -- a television advertisement, a radio advertisement, a billboard, and presumably other voter communications. With all three requirements met, one would be hard pressed to prove that their involvement in these public communications is anything but improper coordination.

IV. Conclusion

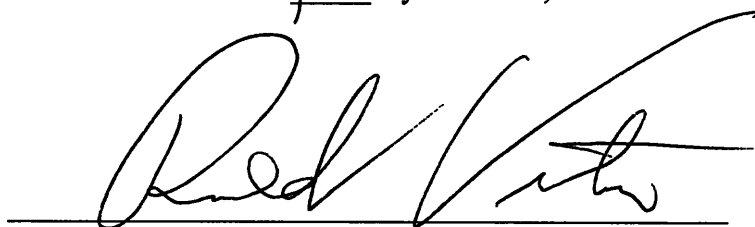
In light of Giannoulas, Obama, and Jackson's apparent attempt to circumvent federal election laws through their involvement in two of Giannoulas' campaign advertisements, we respectfully request that the Commission investigate these issues and impose appropriate penalties for these violations.

Respectfully,

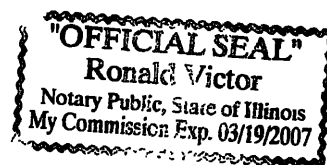


John Tsarpalas
Executive Director
Illinois Republican Party

Sworn before me this 19th day of March, 2006.



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**TRANSCRIPT FROM GIANNOULIAS FOR TREASURER RADIO SPOT
FEATURING JESSE JACKSON, JR. AND SENATOR BARACK OBAMA**

VOICE OVER: Congressman Jesse Jackson Jr. and Senator Barack Obama talk about why they endorse Alexi Giannoulias for State Treasurer.

CONGRESSMAN JACKSON JR.: These are challenging times, times that demand qualified elected leaders who have demonstrated skills. In this environment, we can no longer afford politics as usual. For the State Treasurer, there is no more qualified individual than Alexi. When it comes to fiscal management, he stands alone. It is indeed a privilege and an honor to extend my whole-hearted unqualified endorsement to Alexi Giannoulias.

SENATOR OBAMA: Alexi Giannoulias. He's one of the most outstanding young men that I could ever hope to meet. He's somebody who cares deeply about people. What we want in the job of Treasurer is someone who actually knows how money works and knows how to manage it and makes sound investments that protect people's pensions.

VOICE OVER: Alexi Giannoulias: Bank Vice President; financial expert; Democrat for Treasurer.

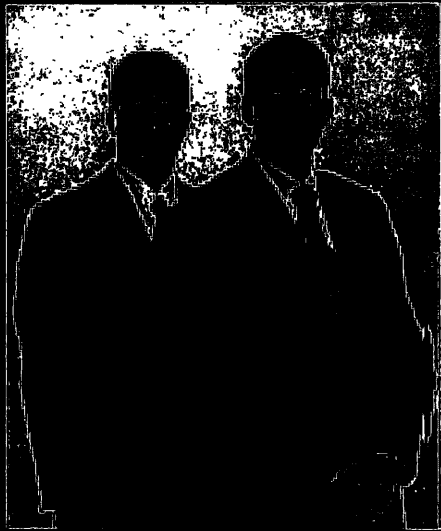
SENATOR OBAMA: Alexi Giannoulias is going to be an outstanding treasurer.

ALEXI GIANNOULIAS: Paid for by Giannoulias for Treasurer

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 CLEAR CHANNEL



Alexi
GIANNOULIAS
For
State Treasurer

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Endorsed by Governor and Lieutenant Governor

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